

Introduction to and Summary of Procurement and Real Estate Guidelines

Pursuant to the Authority's implementation of the Public Authorities Accountability Act of 2005 ("PAAA"), as amended, the Authority's Governance Committee reviews the Guidelines for Procurement Contracts ("Procurement Guidelines"), the Guidelines and Procedures for Disposal of Personal Property ("Personal Property Disposal Guidelines"), the Guidelines and Procedures for Disposal of Real Property ("Real Property Disposal Guidelines") and the Guidelines and Procedures for Acquisition of Real Property by the Authority ("Real Property Acquisition Guidelines") annually and, if appropriate, recommends adoption by the full Board at the annual meeting (to be held on March 26, 2015).

PROCUREMENT GUIDELINES

In compliance with the applicable provisions of § 2879 of the Public Authorities Law ("PAL"), as amended, the Authority has established comprehensive Guidelines detailing its operative policy and instructions concerning the use, awarding, monitoring and reporting of procurement contracts. The Guidelines describe the Authority's process for soliciting proposals and awarding contracts. Topics detailed in the Guidelines include solicitation requirements, evaluation criteria, contract award process, contract provisions, change orders, Minority- and Women-owned Business Enterprise ("M/WBE") requirements, employment of former officers and reporting requirements. These Guidelines, approved by the Authority's Trustees, were initially implemented on January 1, 1990, and have been amended as deemed advisable and necessary, and reviewed and approved by the Board annually since that date, most recently on March 25, 2014.

Staff has reviewed the Procurement Guidelines and recommends several changes to make them more consistent with the law or to improve or clarify the Authority's procurement process. The most significant of such changes pertain to **Solicitation Requirements**, as well as the **Service-Disabled Veteran-Owned Business ("SDVOB") program**, which are highlighted below:

- **NEW YORK STATE CONTRACT REPORTER → INCREASED THE ADVERTISING THRESHOLD from \$15,000 to \$50,000**, as summarized below and more fully set forth in § 3.H of the Procurement Guidelines, pursuant to Article 4-C of the Economic Development Law and § 163 of the State Finance Law:

For all Procurement Contracts with a value equal to or greater than \$50,000....., the Authority will, prior to soliciting proposals, submit the following information to the Commissioner of the DED to be included on the New York State Contract Reporter website.....

..... submittal of a notice / announcement of award for inclusion on the Contract Reporter website is required for Procurement Contracts with a value of \$50,000 or more awarded on a sole source or single

source basis, including such contracts not exceeding \$200,000 awarded to Small Businesses or NYS-certified MWBE firms, or for the purchase of goods and/or technology that are recycled or remanufactured, or for the purchase of food, including milk and milk products that are grown, produced or harvested in New York State, and certain other Procurement Contracts exempt from the general advertising requirement for procurement contract bidding opportunities, in accordance with the afore-referenced law. Such notice shall specify the name of the awardee.

- **VALUE OF PURCHASES REQUIRING SOLICITATION** from at least 3 PROVIDERS → INCREASED to under \$50,000 – and -- **VALUE OF PURCHASES REQUIRING SOLICITATION** from at least 5 PROVIDERS → INCREASED to \$50,000 or more, as summarized below and more fully set forth in § 3.A of the Procurement Guidelines:

..... a Request for Proposals (“RFP”) or Request for Quotations (“RFQ”) will be made available to a minimum of three providers and/or firms (if available) for purchases valued under \$50,000 and a minimum of five providers and/or firms (if available) for purchases valued at \$50,000 and greater, commensurate with the magnitude and nature of the goods and/or services, and the schedule for performance.....

- **TELEPHONE SOLICITATION LIMIT** → INCREASED to under \$50,000; also, all such solicitations shall be documented and made part of the **Procurement Record**, as summarized below and more fully set forth in § 3.G of the Procurement Guidelines:

..... Telephone solicitation, usually for procurements valued at less than \$50,000, may be used where time constraints do not permit issuance of an RFP, where issuance of an RFP is otherwise impracticable or for goods that are catalog items or do not require a detailed bill of materials or specification. All solicitations made by telephone shall be documented and made part of the Procurement Record.

- **SERVICE-DISABLED VETERAN-OWNED BUSINESS (“SDVOB”) PROGRAM – NEW STATUTORY REQUIREMENT**, as summarized below and more fully set forth in § 3.I of the Procurement Guidelines, pursuant to the SDVOB Act:

In order to further increase participation of service-disabled veterans in New York State’s contracting opportunities, the Service-Disabled Veteran-Owned Business (“SDVOB”) Act was signed into law on May 12, 2014. The SDVOB program provides for eligible Veteran business owners to become certified as a New York State Service-Disabled Veteran-Owned Business. The Division of Service-Disabled Veterans’

Business Development within the New York State Office of General Services (“OGS”) is responsible for certifying eligible SDVOBs, assisting agencies and authorities in complying with the law, and promoting SDVOB participation in the state’s procurement activities. The program is in development; the Authority has been selected to participate in a pilot SDVOB program and is complying with OGS-promulgated procedures and requirements.

It may also be noted that non-substantive and stylistic changes have also been made throughout the document.

The Governance Committee is requested to review the revisions to the Procurement Guidelines (as set forth in the redlined copy attached hereto as Exhibit 2c-1) and, if appropriate, to recommend adoption by the full Board at the annual meeting to be held on March 26, 2015. The approved Guidelines will become effective on March 31, 2015 and will be posted on the Authority’s internet website. On or before the 31st day of March, such Guidelines will also be filed with the Director of the Division of the Budget, the Department of Audit and Control, the Department of Economic Development, the Senate Finance Committee, the Assembly Ways and Means Committee and the Authorities Budget Office.

PERSONAL PROPERTY DISPOSAL GUIDELINES

In compliance with Public Authorities Law (“PAL”) § 2896, enacted as part of the Public Authorities Accountability Act of 2005 (“PAAA”) and amended by the Public Authorities Reform Act of 2009 (“PARA”), the Authority established and is required to annually review and approve Guidelines for the Disposal of Personal Property. Personal Property is defined to include, but is not limited to, Authority-owned materials, tools, equipment and vehicles with a value in excess of \$5,000. The Personal Property Guidelines set forth the methodology detailing the Authority’s policy regarding the use, award, monitoring and reporting of the disposal of Personal Property and designate a Contracting Officer responsible for the Authority’s compliance with, and enforcement of, such Guidelines. The Guidelines were initially approved by the Trustees in March 2006 and have been amended as deemed advisable and necessary, and reviewed and approved annually since that date, most recently on March 25, 2014.

Staff has reviewed the Personal Property Disposal Guidelines and recommends no substantive changes. Two minor changes were made to the Guidelines to provide for future policy revisions and titular or organizational changes in the Authority.

The Governance Committee is requested to review the revisions to the Personal Property Disposal Guidelines (as set forth in the redlined copy attached hereto as Exhibit 2c-2) and, if appropriate, to recommend adoption by the full Board of Trustees at the annual meeting to be held on March 26, 2015. The approved Guidelines will become effective on March 31, 2015 and will be posted on the Authority’s internet website. On or before the 31st day of March, such Guidelines will also be filed with the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the Authorities Budget Office.

REAL PROPERTY DISPOSAL and ACQUISITION GUIDELINES

In compliance with Public Authorities Law (“PAL”) § 2896, enacted as part of the Public Authorities Accountability Act of 2005 (“PAAA”) and amended by the Public Authorities Reform Act of 2009 (“PARA”), the Authority established and is required to annually review and approve Guidelines for the Disposal of Real Property and Guidelines for the Acquisition of Real Property. The Real Property Disposal Guidelines were initially approved by the Trustees in March 2006; the Real Property Acquisition Guidelines were initially approved by the Trustees in March 2008. They have subsequently been reviewed, amended as deemed advisable and necessary, and approved on an annual basis since that date, most recently on March 25, 2014.

Staff has reviewed the Real Property Disposal and Acquisition Guidelines, respectively, and recommends no changes.

The Governance Committee is requested to review the revisions to the Real Property Disposal and Acquisition Guidelines, respectively (as set forth in the redlined copy attached hereto as Exhibits 2c-3 and 2c-4) and, if appropriate, to recommend adoption by the full Board of Trustees at the annual meeting to be held on March 26, 2015. The approved Guidelines will become effective on March 31, 2015 and will be posted on the Authority’s internet website. On or before the 31st day of March, such Guidelines will also be filed with the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the Authorities Budget Office.